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Employment and hours below pre-pandemic levels

Media Release

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i Source: [Labour Force, Australia, September 2021](#)

Seasonally adjusted employment fell by 138,000 people (1.1 per cent) between August and September 2021, according to figures released today by the Australian Bureau of Statistics (ABS).

Bjorn Jarvis, head of labour statistics at the ABS, said: "Extended lockdowns in New South Wales, Victoria and the Australian Capital Territory have seen employment and hours worked both drop back below their pre-pandemic levels.

In September 2021, there were 111,000 fewer employed people (0.9 per cent) and 2.0 per cent fewer hours worked than in March 2020."

Employment, unemployment and participation

With a combined share of close to 60 per cent of Australia's employed population, labour market changes in New South Wales and Victoria continued to have a large influence on the national figures.

"In September, there were large falls in employment in Victoria (123,000 people) and New South Wales (25,000 people, following the 173,000 decline in August). This was partly offset by a 31,000 increase in Queensland, as conditions there recovered from the lockdown in early August," Mr Jarvis said.

The participation rate fell 0.7 percentage points to 64.5 per cent. This was the third consecutive monthly decline from the near historic high of 66.2 per cent in June 2021 and continued the pattern of large falls in participation during lockdowns.

The unemployment rate rose 0.1 percentage points from 4.5 per cent to 4.6 per cent in September 2021.

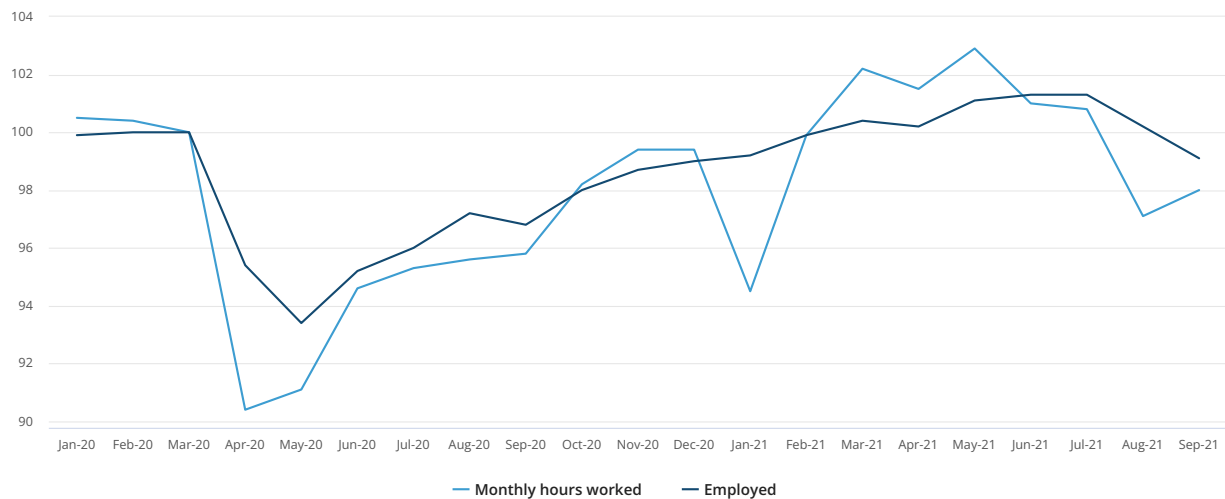
"The low national unemployment rate continues to reflect reduced participation during the recent lockdowns, rather than strong labour market conditions," Mr Jarvis said.

The fall in the national participation rate was again underpinned by large drops in parts of the country with lockdowns in effect. The participation rates for Victoria and the Australian Capital Territory both fell by 1.9 percentage points, and in New South Wales by a further 0.6 percentage points, following a 2.5 percentage point drop last month.

In September, New South Wales and the Australian Capital Territory both recorded their lowest participation rates since the pandemic began. Victoria's participation rate also fell but remained above the previous low during the second wave lockdown last year.

"Over the past three months, participation in the labour force has fallen by over 330,000 people, with employment falling by 281,000 people and unemployment falling by 53,000 people. Beyond people losing their jobs, or working reduced or no hours, we continue to see how challenging it is for people without work to remain active within the labour market during lockdowns. This was also reflected in the [mutual obligations \(https://www.servicesaustralia.gov.au/individuals/topics/mutual-obligation-requirements/29751#a2\)](https://www.servicesaustralia.gov.au/individuals/topics/mutual-obligation-requirements/29751#a2) for jobseekers living in lockdown areas in September."

Employment and Hours, Indexed to March 2020



Hours worked and underemployment

Hours worked increased by 0.9 per cent in September, a slight recovery from the fall in August (3.7 per cent). This partly reflected the strong recovery in Queensland (5.4 per cent), as conditions there recovered from the lockdown in early August.

Hours worked also increased in New South Wales (2.7 per cent), following two months of large falls (6.5 per cent fall in August, and 7.0 per cent in July). This was underpinned by increases in people working full-time hours, as well as a slight recovery among people who had been working fewer hours than usual in August.

There were large falls in hours worked in Victoria (3.6 per cent) and the Australian Capital Territory (10.5 per cent).

"In the Australian Capital Territory, hours worked fell by 10.5 per cent in September, compared with a 3.2 per cent fall in employment. This highlights the extent to which people had reduced hours or no work through the lockdown, without necessarily losing their jobs. It also shows that hours continue to provide the best indicator of the extent of labour

market impacts from lockdowns,” Mr Jarvis said.

The national underemployment rate dropped by less than 0.1 percentage points to 9.2 per cent in September 2021. There were large increases in the underemployment rates in Victoria (up 0.9 percentage points to 10.0 per cent) and the Australian Capital Territory (up 1.4 percentage points to 8.5 percent), accentuated by increases in underemployment and falls in participation. The underemployment rate remained elevated in New South Wales, at 10.2 per cent.

Today's release includes additional analysis of hours worked, including people working zero hours, and an analysis of employment and hours worked at the state and territory level.

Further information, including regional labour market information, will be available in the upcoming September 2021 issue of [Labour Force, Australia, Detailed \(/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release\)](#), due for release on Thursday 21 October 2021.

The ABS would like to thank Australians for their continued support in responding to our surveys during such a difficult time.

Media notes

- The September survey reference period was 29 August to 11 September 2021. The October survey reference period was 26 September to 9 October 2021.
- In order to be unemployed, people must be actively looking for work, and available to start work during the reference week.
- Information on how people receiving COVID-19 support may be reflected in Labour Force statistics can be found in the following [note \(/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release#survey-impacts-and-changes\)](#).
- The numbers in the media release are rounded to the nearest thousand people. For more detailed numbers see the data downloads tab in the [Labour Force, Australia \(/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release\)](#) publication.
- The ABS has suspended publishing trend series for the COVID-19 period.
- When reporting ABS data you must attribute the Australian Bureau of Statistics (or the ABS) as the source.
- For media requests and interviews, contact the ABS Media Team

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